

Director

State of California—Health and Human Services Agency California Department of Public Health



VENDOR ALERT 2007-11

ARNOLD SCHWARZENEGGER
Governor

TO: ALL WIC VENDORS

SUBJECT: NEW INFANT FORMULA CONTRACT

Purpose

I am writing to remind you that, effective August 1, 2007, the California Women, Infants, and Children (WIC) Supplemental Nutrition Program will implement a new infant formula rebate contract with Mead Johnson and Company. To help you identify the new infant formulas, we have enclosed two color 8 ½" x 11" flyers of the new formula labels.

New Contract Formulas

Effective August 1, 2007, the two <u>primary</u> contract infant formulas will be:

- Enfamil LIPIL with Iron (milk-based, 13 ounce concentrate and 12.9 ounce powdered)
- ProSobee LIPIL (soy-based, 13 ounce concentrate and 12.9 ounce powdered)

The majority of participants will receive food instruments (FIs) for these primary formulas. The two formulas listed above are the only formulas that you will be **required** to stock.

Other rebate formulas will be:

- Enfamil LactoFree LIPIL (13 ounce concentrate and 12.9 ounce powdered)
- Enfamil Gentlease LIPIL (12 ounce powdered only)
- Enfamil AR LIPIL (12.9 ounce powdered only)

While we expect the majority of infants will receive FIs for the primary contract formulas, some participants may receive FIs for one of these formulas.

Vendor Implications

Most participants issued formula FIs on or after August 1, 2007, will receive FIs for one of the five new contract formulas, with the majority receiving FIs for the two primary formulas.

Since, in July, some participants will receive FIs issued for two or three months at a time, we anticipate FIs for both the old and new contract formulas to be in circulation through the end of October. Please be aware that during the transition, some participants who received FIs for Similac Advance with Iron and either Similac Isomil Advance or Similac Isomil in July will be redeeming them in August, September, and October.

Since your vendor agreement requires you to only sell products that are specified on the face of the FI, please instruct store staff to honor whichever formula is printed on the face of the FI.

<u>Prior to August 1, 2007</u>, vendors will be required by their Vendor Agreement to stock sufficient supplies of the current primary contract formulas, so that participants can redeem their FIs through the rebate contract period.

Effective August 1, 2007, vendors will be required to stock the new primary contract formulas, Enfamil LIPIL with Iron and ProSobee LIPIL.

- Please train store staff that as of August 1, 2007, Enfamil LIPIL with Iron and ProSobee LIPIL will be the primary WIC contract formulas. Advise them that a small number of participants may be issued FIs for Enfamil LactoFree LIPIL (powder or concentrate), Enfamil Gentlease LIPIL (powder only), and Enfamil A.R. LIPIL (powder only).
- Please inform your WIC vendor consultant if you are having difficulty ordering the new contract formulas in sufficient quantities. Mead Johnson and Company will work with wholesalers and retailers to ensure a smooth transition to the new contract formula by assuring that distributors in California have adequate supplies.

Maximum
Allowable
Department
Reimbursement
(MADR) Rates

The MADR rates for the new infant formulas will be available on the VWIX website prior to the August 1, 2007 implementation date.

Educational Materials

Color 8 ½" x 11" flyers of the new formula labels are available now and a revised WIC Authorized Food List will be available by August 1, 2007 on our website. To order these materials, vendors may go to www.wicworks.ca.gov. At the Home Page, select "Forms" in the left margin of the page and select "OSP 508 - WIC Vendor Materials (pdf)". To receive educational materials, you must complete all requested information.

Educational Materials - continued

Please do not order the items listed above until the items and quantities are listed on the form. Do not write in items on the order form.

Orders may be faxed to (916) 928-4759 or mailed to:

State of California
Office of State Publishing
344 North 7th Street
Sacramento, CA 95814

If you have questions about your order you may call the Office of State Publishing at (800) 585-7341.

Questions

If you have any questions, please contact your WIC Vendor Consultant directly or call (916) 928-8705.

The WIC program will maintain a hotline during business hours from August 1 through August 15, 2007 to assist vendors with questions regarding the new infant formulas. If you are unable to resolve these problems by calling your WIC Vendor Consultant, you may call the hotline at (916) 928-8869.

David Markell, Chief Food Management and Integrity Section California Women, Infants, and Children (WIC) Supplemental Nutrition Branch

Enclosures (2)